(b) if so, whether Government propose to accord mega status to the above project to allow it to get waiver of excise duty for components used?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA) : (a) and (b) Karnataka Power Corporation Ltd., a power generation company of the Government of Karnataka has requested that power projects having a minimum capacity of upto 500 MW be considered for the benefits available to Mega Power Projects. As per the existing policy of the Government of India, the Mega Power Project status is currently available to the new thermal power projects having capacity of 1000 MW and above. Bellary Thermal Power Project having capacity of 500 MW does not fulfill the criteria laid down for according Mega Power status.

Power to all by 2012

881. DR. T. SUBBARAMI REDDY : Will the Minister of POWER be pleased to state :

(a) whether the Prime Minister's vision of providing power to all by 2012 seems to be very difficult to achieve;

(b) if so, whether there is a need to cut duty on power equipment imports;

(c) whether according to estimates, the current burden of accumulated losses on the States are over Rs.3,00,000 crores;

(d) if so, whether the Electricity Act, 2003 was formulated to rationalize the tariff structure by bringing in competitive environment;

(e) if so, what are the other difficulties that are being faced to implement the Prime Minister's vision of power to all by 2012; and

(f) to what extent these hurdles have been removed?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA) : (a) Providing power to all by 2012 is an ambitious but achievable goal.

(b) There is a provision for duty free import of equipment and deemed export benefits for mega power projects.

(c) According to Central Electricity Authority (CEA) the estimated accumulated losses based on data available form the state were 28999.002 crores for the year 2001-02 (Provisional), Rs. 20262.26 crores for the year 2002-03 (Revised Estimates).

(d) The Electricity Act, 2003 has been enacted with the objective of, *inter-alia*, taking measures conducive to development of electricity industry, promoting competition therein, rationalization of electricity tariff and ensuring transparent policies regarding subsidies.

(e) and (f) In order to provide "power to all by 2012", the Central Electricity Authority (CEA) has estimated the requirement of an additional capacity of about 1,00,000 MW. For the 10th Five Year Plan, a capacity addition target of approximately 41,000 MW has been fixed. In addition to this, about 3000 MW is likely to come from renewables.

The strategy of power sector reforms focusing on distribution combined with step-up in public sector investment in generation in the 10th Plan aims at a qualitative transformation of the power sector. To address the problem of poor sub-transmission and distribution systems, the Accelerated Power Development and Reform Programme (APDRP) is being implemented with a budget provision of Rs. 3500 crore in 2003-04 for financing specific projects in distribution circles and for providing grants as incentive for reducing cash losses by SEBs/State Utilities.

In addition, priority is being given to :

- Improvement of Plan Load Factor (PLF) of the existing power stations.
- Renovation and Modernization of old thermal and hydro stations.
- Increasing the capacity for inter-regional transfer of power through the National Grid.
- Energy Conservation and Demand Side Management.